



**7 VENDOR MANAGEMENT**

*Effective: 6/1/96*

**7.3 Vendor Authorization Process: Ineligibility Determinations**

**POLICY:** Vendor authorization will be denied if eligibility requirements are not met.

**PROCEDURE:**

**A. ALLOWED PRICES**

An applicant's prices are reviewed to determine if they are comparable to the average price for a standardized combination of foods charged by other vendors in the project service area in which the store is located.

1. If the applicant's prices are more than 115% of the average price, the applicant does not meet the conditions of eligibility and the processing of the application will stop.
2. The applicant will be required to submit another Stock Price Survey with lower prices before the application will be processed.

**B. MINIMUM STOCK REQUIREMENTS**

If the applicant's Stock Price Survey indicates that minimum stock levels are not available in the store (i.e., when there are not prices indicated for a minimum requirement of foods), the Stock Price Survey will be returned to the applicant for completion.

**C. ACCEPTABLE HISTORY**

1. An applicant's history with WIC, Food Stamps and other food and nutrition service programs of USDA will be reviewed by the State WIC Vendor Unit. A history of suspension, termination or noncompliance with these programs may result in a denial of the application.
2. The State WIC Vendor Unit may not process an application submitted by a grocery store or pharmacy denied authorization due to unauthorized participation in WIC or other food and nutrition service programs of USDA for a period of up to 3 years.
3. In the review of the applicant's history, the grocery store or pharmacy is held responsible for the acts of its employees.
4. If a store does not meet the conditions of eligibility, the application will be denied and the vendor will be provided with written notice by the State WIC Vendor Unit. A copy of the notice will be forwarded to the local WIC Project.



**D. WAIVE CONDITION OF ELIGIBILITY**

The State WIC Vendor Unit may waive any condition of eligibility (or the suspension or termination of a vendor's authorization) if, after consulting with local WIC Project staff, it is determined that the denial or termination would create a hardship for participants. Local WIC Project staff should note this information on the Site Visit form and contact Vendor Unit staff to discuss the possibility of a waiver.

**E. DENIAL OF APPLICATION**

Within 60 days after receipt by the state WIC office of a complete application for initial authorization as a vendor, the State WIC Vendor Unit shall either approve or deny the application.

1. If the application is denied, the department shall give the applicant reasons, in writing, for the denial.
2. If the application for authorization is denied, the store may submit a new application following correction of the situation which resulted in the denial.
3. If an application for authorization is denied, a grocery store or pharmacy may submit a new application following correction of the situation which resulted in the denial. Only one additional site visit shall be made in a 6-month period under these circumstances.